

GOVERNMENT OF MAHARASHTRA,
FINANCE DEPARTMENT,
CIRCULAR NO.P.518/W&M/2480(A)-74/B-2
SACHIVALAYA, BOMBAY- 400 032.
DATED : 27th NOVEMBER, 1974

CIRCULAR

At times payments of large amounts have to be made from Government accounts to the Government of India or Central Government agencies or autonomous bodies in pursuance of decisions of Government. Such sudden payments are likely to upset the Ways & Means position of Government, unless suitable arrangements are made to enable the cash balance position to withstand such large debits. It is therefore absolutely essential to give advance intimation to the Ways & Means Section of the Finance Department about such large debits. It is the function of the Ways & Means Section of the Finance Department to make a forecast of the likely receipts of Government and payments to be made in the ensuing month/quarter of the year and to consider whether it is necessary and possible to stagger some payments or take some other steps with a view to avoidance of unauthorised overdraft.

2. A case has recently occurred in which a large amount was wrongly debited to the accounts of this Government. The circumstances in which this wrong debit was raised were closely studied when it was revealed that (a) the administrative Department's letter was not sufficiently clear about the exact amount accepted for debit, (b) a copy of the Government letter accepting the amount of the debit was not endorsed to the Accountant General Bombay,
(c) although the amount to be paid was large, advance intimation was not given to the Finance Department, and (d) the amounts which were already paid in the

past to the Government of India were not reconciled with the Accountant General's figures of accounts in adequate details.

3. The excess debit which resulted in an authorised overdraft could have been avoided if the Accountant General had been intimated about the correct amount accepted for debit and the position of payments made from time to time had been duly reconciled by the Department with the Accountant General's accounts. It is essential that there is a proper and prompt communication of details of monetary transaction, as between the State Government and the Central Government or any Central Government agency or autonomous body, to the Ways and Means Section of the Finance Department and the Accountant General, particularly when the payment to be made at a time amounts to Rs. 50 lakhs or more.

4. All the administrative Departments are therefore requested to see carefully that the lapses of the types mentioned above are not allowed to occur and to ensure that in all cases of debits amounting to Rs. 50 lakhs or more, prior intimation of the debit is invariably given to the Ways and Means Section of the Finance Department as soon as possible and at least a week in advance of the due date of debit.

By order and in the name of the Governor of Maharashtra,

Sd/-
M.G.Bartake,
Deputy Secretary to Government.

To,

- 1) All Departments of the Sachivalaya,
- 2) The Accountant General, Maharashtra-I, Bombay,
- 3) The Accountant General, Maharashtra-II, Nagpur,
- 4) All Branches in the Finance Department,
- 5) Select File, Br. B-2.